



# *Business-Cooperative Programs*

## *Rural Business Enterprise Grants*

Committed to the future of rural communities.

The Business-Cooperative Programs makes grants to finance and facilitate development of small and emerging private business enterprises outside the boundary of a city with a population of 50,000 or more and its adjacent urbanized area.

Priority is given to applications for projects in open country, rural communities and towns of 25,000 and smaller, and economically distressed communities.

### *Applicant Eligibility*

Eligibility is limited to public bodies and private nonprofit corporations.

Public bodies include incorporated towns and villages, boroughs, townships, counties, states, authorities, districts, and Indian Tribes on Federal and State reservations and other federally recognized Indian tribal groups in rural areas.

### *Eligible Grant Purposes*

Funds may be used to facilitate the development of small and emerging private business enterprises.

Costs that may be paid from grant funds include the acquisition and development of land, and the construction of buildings, plants, equipment, access streets and roads, parking areas, utility and service extensions, refinancing, fees, technical assistance, and loans for startup operating cost and working capital.

Grants may also be made to establish or fund revolving loan programs.

### *Limitations of Use*

Grants cannot be used for:

- ◆ Production of agricultural products through growing, cultivating, and harvesting either directly or through horizontally integrated livestock operations except for commercial nurseries or timber operations.
- ◆ Comprehensive area wide planning.
- ◆ Loans by grantees when the rates, terms, and charges for those loans are not reasonable.

USDA Rural Development Montana  
[www.rurdev.usda.gov/mt/](http://www.rurdev.usda.gov/mt/)

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Business-Cooperative Programs  
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Provider and Employer.  
Complaints of discrimination  
should be sent to:

USDA, Director,  
Office of Civil Rights  
1400 Independence Ave. SW  
Washington, DC 20250-9410  
800-795-3272 (voice) 202-720-6382 (TDD)

- ◆ Development of a proposal that may result in the transfer of jobs or business activity from one area to another. This provision does not prohibit establishment of a new branch or subsidiary.
- ◆ Development of a proposal which may result in an increase of goods, materials, commodities, services, or facilities in an area when there is not sufficient demand.

All applications are considered without regard to race, color, religion, sex, national origin, age, marital status, or physical or mental handicap (provided applicants have the capacity to enter into a legal contract) of the members of the groups applying for assistance. Service must be extended on the same basis.

### ***Application Procedures***

Applicants will be required to submit supporting data before a formal application is made.

After determining the order of funding priorities, Rural Development will tentatively determine eligibility and request applicants to assemble and submit formal applications.

After determining that applicable administrative actions and required work of the applicant have been completed, Rural Development will deliver the grant funds by Treasury Check.

Application forms are available from, and may be filed in, any Rural Development office.

### ***Other Conditions***

Applicants for grants to establish a revolving loan program must include detail on the applicant's experience operating a revolving loan program, proposed projects, applicant's financial ability to administer a revolving fund, need for a revolving fund, and other funds proposed to leverage funds made available under this program.

All community projects funded by Rural Development are subject to an environmental assessment in accordance with the National Environmental Act.

### ***For More Information***

If you would like more information about the Rural Business Enterprise Grant program, please contact your nearest area office or Rural Development staff at (406) 585-2540.

